

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1150

96TH GENERAL ASSEMBLY

4966S.04T

2012

AN ACT

To repeal sections 301.190, 301.193, 301.227, 301.600, 306.400, 430.020 and 430.082, RSMo, and to enact in lieu thereof seven new sections relating to the issuance of certificate of titles for motor vehicles.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 301.190, 301.193, 301.227, 301.600, 306.400, 430.020 and 430.082, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as sections 301.190, 301.193, 301.227, 301.600, 306.400, 430.020 and 430.082, to read as follows:

301.190. 1. No certificate of registration of any motor vehicle or trailer, or number plate therefor, shall be issued by the director of revenue unless the applicant therefor shall make application for and be granted a certificate of ownership of such motor vehicle or trailer, or shall present satisfactory evidence that such certificate has been previously issued to the applicant for such motor vehicle or trailer. Application shall be made within thirty days after the applicant acquires the motor vehicle or trailer upon a blank form furnished by the director of revenue and shall contain the applicant's identification number, a full description of the motor vehicle or trailer, the vehicle identification number, and the mileage registered on the odometer at the time of transfer of ownership, as required by section 407.536, together with a statement of the applicant's source of title and of any liens or encumbrances on the motor vehicle or trailer, provided that for good cause shown the director of revenue may extend the period of time for making such application. When an owner wants to add or delete a name or names on an

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

13 application for certificate of ownership of a motor vehicle or trailer that would cause it to be
14 inconsistent with the name or names listed on the notice of lien, the owner shall provide the
15 director with documentation evidencing the lienholder's authorization to add or delete a name
16 or names on an application for certificate of ownership.

17 2. The director of revenue shall use reasonable diligence in ascertaining whether the facts
18 stated in such application are true and shall, to the extent possible without substantially delaying
19 processing of the application, review any odometer information pertaining to such motor vehicle
20 that is accessible to the director of revenue. If satisfied that the applicant is the lawful owner of
21 such motor vehicle or trailer, or otherwise entitled to have the same registered in his name, the
22 director shall thereupon issue an appropriate certificate over his signature and sealed with the
23 seal of his office, procured and used for such purpose. The certificate shall contain on its face
24 a complete description, vehicle identification number, and other evidence of identification of the
25 motor vehicle or trailer, as the director of revenue may deem necessary, together with the
26 odometer information required to be put on the face of the certificate pursuant to section
27 407.536, a statement of any liens or encumbrances which the application may show to be
28 thereon, and, if ownership of the vehicle has been transferred, the name of the state issuing the
29 transferor's title and whether the transferor's odometer mileage statement executed pursuant to
30 section 407.536 indicated that the true mileage is materially different from the number of miles
31 shown on the odometer, or is unknown.

32 3. The director of revenue shall appropriately designate on the current and all subsequent
33 issues of the certificate the words "Reconstructed Motor Vehicle", "Motor Change Vehicle",
34 "Specially Constructed Motor Vehicle", or "Non-USA-Std Motor Vehicle", as defined in section
35 301.010. Effective July 1, 1990, on all original and all subsequent issues of the certificate for
36 motor vehicles as referenced in subsections 2 and 3 of section 301.020, the director shall print
37 on the face thereof the following designation: "Annual odometer updates may be available from
38 the department of revenue.". On any duplicate certificate, the director of revenue shall reprint
39 on the face thereof the most recent of either:

40 (1) The mileage information included on the face of the immediately prior certificate and
41 the date of purchase or issuance of the immediately prior certificate; or

42 (2) Any other mileage information provided to the director of revenue, and the date the
43 director obtained or recorded that information.

44 4. The certificate of ownership issued by the director of revenue shall be manufactured
45 in a manner to prohibit as nearly as possible the ability to alter, counterfeit, duplicate, or forge
46 such certificate without ready detection. In order to carry out the requirements of this subsection,
47 the director of revenue may contract with a nonprofit scientific or educational institution

48 specializing in the analysis of secure documents to determine the most effective methods of
49 rendering Missouri certificates of ownership nonalterable or noncounterfeitable.

50 5. The fee for each original certificate so issued shall be eight dollars and fifty cents, in
51 addition to the fee for registration of such motor vehicle or trailer. If application for the
52 certificate is not made within thirty days after the vehicle is acquired by the applicant, a
53 delinquency penalty fee of twenty-five dollars for the first thirty days of delinquency and
54 twenty-five dollars for each thirty days of delinquency thereafter, not to exceed a total of two
55 hundred dollars, but such penalty may be waived by the director for a good cause shown. If the
56 director of revenue learns that any person has failed to obtain a certificate within thirty days after
57 acquiring a motor vehicle or trailer or has sold a vehicle without obtaining a certificate, he shall
58 cancel the registration of all vehicles registered in the name of the person, either as sole owner
59 or as a co-owner, and shall notify the person that the cancellation will remain in force until the
60 person pays the delinquency penalty fee provided in this section, together with all fees, charges
61 and payments which the person should have paid in connection with the certificate of ownership
62 and registration of the vehicle. The certificate shall be good for the life of the motor vehicle or
63 trailer so long as the same is owned or held by the original holder of the certificate and shall not
64 have to be renewed annually.

65 6. Any applicant for a certificate of ownership requesting the department of revenue to
66 process an application for a certificate of ownership in an expeditious manner requiring special
67 handling shall pay a fee of five dollars in addition to the regular certificate of ownership fee.

68 7. It is unlawful for any person to operate in this state a motor vehicle or trailer required
69 to be registered under the provisions of the law unless a certificate of ownership has been applied
70 for as provided in this section.

71 8. Before an original Missouri certificate of ownership is issued, an inspection of the
72 vehicle and a verification of vehicle identification numbers shall be made by the Missouri state
73 highway patrol on vehicles for which there is a current title issued by another state if a Missouri
74 salvage certificate of title has been issued for the same vehicle but no prior inspection and
75 verification has been made in this state, except that if such vehicle has been inspected in another
76 state by a law enforcement officer in a manner comparable to the inspection process in this state
77 and the vehicle identification numbers have been so verified, the applicant shall not be liable for
78 the twenty-five dollar inspection fee if such applicant submits proof of inspection and vehicle
79 identification number verification to the director of revenue at the time of the application. The
80 applicant, who has such a title for a vehicle on which no prior inspection and verification have
81 been made, shall pay a fee of twenty-five dollars for such verification and inspection, payable
82 to the director of revenue at the time of the request for the application, which shall be deposited
83 in the state treasury to the credit of the state highways and transportation department fund.

84 9. Each application for an original Missouri certificate of ownership for a vehicle which
85 is classified as a reconstructed motor vehicle, specially constructed motor vehicle, kit vehicle,
86 motor change vehicle, non-USA-std motor vehicle, or other vehicle as required by the director
87 of revenue shall be accompanied by a vehicle examination certificate issued by the Missouri state
88 highway patrol, or other law enforcement agency as authorized by the director of revenue. The
89 vehicle examination shall include a verification of vehicle identification numbers and a
90 determination of the classification of the vehicle. The owner of a vehicle which requires a
91 vehicle examination certificate shall present the vehicle for examination and obtain a completed
92 vehicle examination certificate prior to submitting an application for a certificate of ownership
93 to the director of revenue. **Notwithstanding any provision of the law to the contrary, an**
94 **owner presenting a motor vehicle which has been issued a salvage title and which is ten**
95 **years of age or older to a vehicle examination described in this subsection in order to**
96 **obtain a certificate of ownership with the designation prior salvage motor vehicle, shall not**
97 **be required to repair or restore the vehicle to its original appearance in order to pass or**
98 **complete the vehicle examination.** The fee for the vehicle examination application shall be
99 twenty-five dollars and shall be collected by the director of revenue at the time of the request for
100 the application and shall be deposited in the state treasury to the credit of the state highways and
101 transportation department fund. If the vehicle is also to be registered in Missouri, the safety
102 inspection required in chapter 307 and the emissions inspection required under chapter 643 shall
103 be completed and the fees required by section 307.365 and section 643.315 shall be charged to
104 the owner.

105 10. When an application is made for an original Missouri certificate of ownership for a
106 motor vehicle previously registered or titled in a state other than Missouri or as required by
107 section 301.020, it shall be accompanied by a current inspection form certified by a duly
108 authorized official inspection station as described in chapter 307. The completed form shall
109 certify that the manufacturer's identification number for the vehicle has been inspected, that it
110 is correctly displayed on the vehicle and shall certify the reading shown on the odometer at the
111 time of inspection. The inspection station shall collect the same fee as authorized in section
112 307.365 for making the inspection, and the fee shall be deposited in the same manner as provided
113 in section 307.365. If the vehicle is also to be registered in Missouri, the safety inspection
114 required in chapter 307 and the emissions inspection required under chapter 643 shall be
115 completed and only the fees required by section 307.365 and section 643.315 shall be charged
116 to the owner. This section shall not apply to vehicles being transferred on a manufacturer's
117 statement of origin.

118 11. Motor vehicles brought into this state in a wrecked or damaged condition or after
119 being towed as an abandoned vehicle pursuant to another state's abandoned motor vehicle

procedures shall, in lieu of the inspection required by subsection 10 of this section, be inspected by the Missouri state highway patrol in accordance with subsection 9 of this section. If the inspection reveals the vehicle to be in a salvage or junk condition, the director shall so indicate on any Missouri certificate of ownership issued for such vehicle. Any salvage designation shall be carried forward on all subsequently issued certificates of title for the motor vehicle.

12. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as a reconstructed motor vehicle, motor change vehicle, specially constructed motor vehicle, or prior salvage vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the name of the issuing state and such prior designation. The absence of any prior designation shall not relieve a transferor of the duty to exercise due diligence with regard to such certificate of ownership prior to the transfer of a certificate. If a transferor exercises any due diligence with regard to a certificate of ownership, the legal transfer of a certificate of ownership without any designation that is subsequently discovered to have or should have had a designation shall be a transfer free and clear of any liabilities of the transferor associated with the missing designation.

13. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as non-USA-std motor vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the words "Non-USA-Std Motor Vehicle".

14. The director of revenue and the superintendent of the Missouri state highway patrol shall make and enforce rules for the administration of the inspections required by this section.

15. Each application for an original Missouri certificate of ownership for a vehicle which is classified as a reconstructed motor vehicle, manufactured forty or more years prior to the current model year, and which has a value of three thousand dollars or less shall be accompanied by:

(1) A proper affidavit submitted by the owner explaining how the motor vehicle or trailer was acquired and, if applicable, the reasons a valid certificate of ownership cannot be furnished;

(2) Photocopies of receipts, bills of sale establishing ownership, or titles, and the source of all major component parts used to rebuild the vehicle;

(3) A fee of one hundred fifty dollars in addition to the fees described in subsection 5 of this section. Such fee shall be deposited in the state treasury to the credit of the state highways and transportation department fund; and

155 (4) An inspection certificate, other than a motor vehicle examination certificate required
156 under subsection 9 of this section, completed and issued by the Missouri state highway patrol,
157 or other law enforcement agency as authorized by the director of revenue. The inspection
158 performed by the highway patrol or other authorized local law enforcement agency shall include
159 a check for stolen vehicles. The department of revenue shall issue the owner a certificate of
160 ownership designated with the words "Reconstructed Motor Vehicle" and deliver such certificate
161 of ownership in accordance with the provisions of this chapter. Notwithstanding subsection 9
162 of this section, no owner of a reconstructed motor vehicle described in this subsection shall be
163 required to obtain a vehicle examination certificate issued by the Missouri state highway patrol.

301.193. 1. Any person who purchases or is the owner of real property on which
2 vehicles, as defined in section [301.011] **301.010**, vessels or watercraft, as defined in section
3 306.010, or outboard motors, as that term is used in section 306.530, have been abandoned,
4 without the consent of said purchaser or owner of the real property, may apply to the department
5 of revenue for a certificate of title. Any insurer which purchases a vehicle through the claims
6 adjustment process for which the insurer is unable to obtain a negotiable title may make an
7 application to the department of revenue for a salvage certificate of title pursuant to this section.
8 Prior to making application for a certificate of title on a vehicle under this section, the insurer
9 or owner of the real estate shall have the vehicle inspected by law enforcement pursuant to
10 subsection 9 of section 301.190, and shall have law enforcement perform a check in the national
11 crime information center and any appropriate statewide law enforcement computer to determine
12 if the vehicle has been reported stolen and the name and address of the person to whom the
13 vehicle was last titled and any lienholders of record. The insurer or owner or purchaser of the
14 real estate shall, thirty days prior to making application for title, notify any owners or lienholders
15 of record for the vehicle by certified mail that the owner intends to apply for a certificate of title
16 from the director for the abandoned vehicle. The application for title shall be accompanied by:

17 (1) A statement explaining the circumstances by which the property came into the
18 insurer, owner or purchaser's possession; a description of the property including the year, make,
19 model, vehicle identification number and any decal or license plate that may be affixed to the
20 vehicle; the current location of the property; and the retail value of the property;

21 (2) An inspection report of the property, if it is a vehicle, by a law enforcement agency
22 pursuant to subsection 9 of section 301.190; and

23 (3) A copy of the thirty-day notice and certified mail receipt mailed to any owner and any
24 person holding a valid security interest of record.

25 2. Upon receipt of the application and supporting documents, the director shall search
26 the records of the department of revenue, or initiate an inquiry with another state, if the evidence
27 presented indicated the property described in the application was registered or titled in another

28 state, to verify the name and address of any owners and any lienholders. If the latest owner or
29 lienholder was not notified the director shall inform the insurer, owner, or purchaser of the real
30 estate of the latest owner and lienholder information so that notice may be given as required by
31 subsection 1 of this section. Any owner or lienholder receiving notification may protest the
32 issuance of title by, within the thirty-day notice period and may file a petition to recover the
33 vehicle, naming the insurer or owner of the real estate and serving a copy of the petition on the
34 director of revenue. The director shall not be a party to such petition but shall, upon receipt of
35 the petition, suspend the processing of any further certificate of title until the rights of all parties
36 to the vehicle are determined by the court. Once all requirements are satisfied the director shall
37 issue one of the following:

38 (1) An original certificate of title if the vehicle examination certificate, as provided in
39 section 301.190, indicates that the vehicle was not previously in a salvaged condition or rebuilt;

40 (2) An original certificate of title designated as prior salvage if the vehicle examination
41 certificate as provided in section 301.190 indicates the vehicle was previously in a salvaged
42 condition or rebuilt;

43 (3) A salvage certificate of title designated with the words "salvage/abandoned property"
44 or junking certificate based on the condition of the property as stated in the inspection report.
45 An insurer purchasing a vehicle through the claims adjustment process under this section shall
46 only be eligible to obtain a salvage certificate of title or junking certificate.

47 **3. Any insurer which purchases a vehicle that is currently titled in Missouri**
48 **through the claims adjustment process for which the insurer is unable to obtain a**
49 **negotiable title may make application to the department of revenue for a salvage certificate**
50 **of title or junking certificate. Such application may be made by the insurer or its**
51 **designated salvage pool on a form provided by the department and signed under penalty**
52 **of perjury. The application shall include a declaration that the insurer has made at least**
53 **two written attempts to obtain the certificate of title, transfer documents, or other**
54 **acceptable evidence of title, and be accompanied by proof of claims payment from the**
55 **insurer, evidence that letters were delivered to the vehicle owner, a statement explaining**
56 **the circumstances by which the property came into the insurer's possession, a description**
57 **of the property including the year, make, model, vehicle identification number, and current**
58 **location of the property, and the fee prescribed in subsection 5 of section 301.190. The**
59 **insurer shall, thirty days prior to making application for title, notify any owners or**
60 **lienholders of record for the vehicle that the insurer intends to apply for a certificate of**
61 **title from the director for the vehicle. Upon receipt of the application and supporting**
62 **documents, the director shall search the records of the department of revenue to verify the**
63 **name and address of any owners and any lienholders. After thirty days from receipt of the**

64 **application, if no valid lienholders have notified the department of the existence of a lien,**
65 **the department shall issue a salvage certificate of title or junking certificate for the vehicle**
66 **in the name of the insurer.**

301.227. 1. Whenever a vehicle is sold for salvage, dismantling or rebuilding, the
2 purchaser shall forward to the director of revenue within ten days the certificate of ownership
3 or salvage certificate of title and the proper application and fee of eight dollars and fifty cents,
4 and the director shall issue a negotiable salvage certificate of title to the purchaser of the
5 salvaged vehicle. On vehicles purchased during a year that is no more than six years after the
6 manufacturer's model year designation for such vehicle, it shall be mandatory that the purchaser
7 apply for a salvage title. On vehicles purchased during a year that is more than six years after
8 the manufacturer's model year designation for such vehicle, then application for a salvage title
9 shall be optional on the part of the purchaser. Whenever a vehicle is sold for destruction and a
10 salvage certificate of title, junking certificate, or certificate of ownership exists, the seller, if
11 licensed under sections 301.217 to 301.221, shall forward the certificate to the director of
12 revenue within ten days, with the notation of the date sold for destruction and the name of the
13 purchaser clearly shown on the face of the certificate.

14 2. Whenever a vehicle is classified as "junk", as defined in section 301.010, the
15 purchaser may forward to the director of revenue the salvage certificate of title or certificate of
16 ownership and the director shall issue a negotiable junking certificate to the purchaser of the
17 vehicle. The director may also issue a junking certificate to a possessor of a vehicle
18 manufactured twenty-six years or more prior to the current model year who has a bill of sale for
19 said vehicle but does not possess a certificate of ownership, provided no claim of theft has been
20 made on the vehicle and the highway patrol has by letter stated the vehicle is not listed as stolen
21 after checking the registration number through its nationwide computer system. Such certificate
22 may be granted within thirty days of the submission of a request.

23 3. Upon receipt of a properly completed application for a junking certificate, the director
24 of revenue shall issue to the applicant a junking certificate which shall authorize the holder to
25 possess, transport, or, by assignment, transfer ownership in such parts, scrap or junk, and a
26 certificate of title shall not again be issued for such vehicle; except that, the initial purchaser
27 shall, within ninety days, be allowed to rescind his application for a junking certificate by
28 surrendering the junking certificate and apply for a salvage certificate of title in his name. The
29 seller of a vehicle for which a junking certificate has been applied for or issued shall disclose
30 such fact in writing to any prospective buyers before sale of such vehicle; otherwise the sale shall
31 be voidable at the option of the buyer.

32 4. No scrap metal operator shall acquire or purchase a motor vehicle or parts thereof
33 without, at the time of such acquisition, receiving the original certificate of title or salvage

34 certificate of title or junking certificate from the seller of the vehicle or parts, unless the seller
35 is a licensee under sections 301.219 to 301.221.

36 5. All titles and certificates required to be received by scrap metal operators from
37 nonlicensees shall be forwarded by the operator to the director of revenue within ten days of the
38 receipt of the vehicle or parts.

39 6. The scrap metal operator shall keep a record, for three years, of the seller's name and
40 address, the salvage business license number of the licensee, date of purchase, and any vehicle
41 or parts identification numbers open for inspection as provided in section 301.225.

42 7. Notwithstanding any other provision of this section, a motor vehicle dealer as defined
43 in section 301.550 and licensed under the provisions of sections 301.550 to 301.572 may
44 negotiate one reassignment of a salvage certificate of title on the back thereof.

45 8. Notwithstanding the provisions of subsection 1 of this section, an insurance company
46 which settles a claim for a stolen vehicle may apply for and shall be issued a negotiable salvage
47 certificate of title without the payment of any fee upon proper application within thirty days after
48 settlement of the claim for such stolen vehicle. However, if the insurance company upon
49 recovery of a stolen vehicle determines that the stolen vehicle has not sustained damage to the
50 extent that the vehicle would have otherwise been declared a salvage vehicle pursuant to
51 subdivision (51) of section 301.010, then the insurance company may have the vehicle inspected
52 by the Missouri state highway patrol, or other law enforcement agency authorized by the director
53 of revenue, in accordance with the inspection provisions of subsection 9 of section 301.190.
54 Upon receipt of title application, applicable fee, the completed inspection, and the return of any
55 previously issued negotiable salvage certificate, the director shall issue an original title with no
56 salvage or prior salvage designation. Upon the issuance of an original title the director shall
57 remove any indication of the negotiable salvage title previously issued to the insurance company
58 from the department's electronic records.

59 **9. Notwithstanding subsection 4 of this section or any other provision of the law to**
60 **the contrary, if a motor vehicle is inoperable and is at least ten model years old, or the**
61 **parts are from a motor vehicle that is inoperable and is at least ten model years old, a scrap**
62 **metal operator may purchase or acquire such motor vehicle or parts without receiving the**
63 **original certificate of title, salvage certificate of title, or junking certificate from the seller**
64 **of the vehicle or parts, provided the scrap metal operator verifies with the department of**
65 **revenue, via the department's online record access, that the motor vehicle is not subject to**
66 **any recorded security interest or lien and the scrap metal operator complies with the**
67 **requirements of this subsection. In lieu of forwarding certificates of titles for such motor**
68 **vehicles as required by subsection 5 of this section, the scrap metal operator shall forward**
69 **a copy of the seller's state identification along with a bill of sale to the department of**

70 revenue. The bill of sale form shall be designed by the director and such form shall
71 include, but not be limited to, a certification that the motor vehicle is at least ten model
72 years old, is inoperable, is not subject to any recorded security interest or lien, and a
73 certification by the seller that the seller has the legal authority to sell or otherwise transfer
74 the seller's interest in the motor vehicle or parts. Upon receipt of the information required
75 by this subsection, the department of revenue shall cancel any certificate of title and
76 registration for the motor vehicle. If the motor vehicle is inoperable and at least twenty
77 model years old, then the scrap metal operator shall not be required to verify with the
78 department of revenue whether the motor vehicle is subject to any recorded security
79 interests or liens. As used in this subsection, the term "inoperable" means a motor vehicle
80 that is in a rusted, wrecked, discarded, worn out, extensively damaged, dismantled, and
81 mechanically inoperative condition and the vehicle's highest and best use is for scrap
82 purposes. The director of the department of revenue is directed to promulgate rules and
83 regulations to implement and administer the provisions of this section, including but not
84 limited to, the development of a uniform bill of sale. Any rule or portion of a rule, as that
85 term is defined in section 536.010 that is created under the authority delegated in this
86 section shall become effective only if it complies with and is subject to all of the provisions
87 of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are
88 nonseverable and if any of the powers vested with the general assembly pursuant to
89 chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are
90 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
91 proposed or adopted after August 28, 2012, shall be invalid and void.

301.600. 1. Unless excepted by section 301.650, a lien or encumbrance on a motor
2 vehicle or trailer, as defined by section 301.010, is not valid against subsequent transferees or
3 lienholders of the motor vehicle or trailer who took without knowledge of the lien or
4 encumbrance unless the lien or encumbrance is perfected as provided in sections 301.600 to
5 301.660.

6 2. Subject to the provisions of section 301.620, a lien or encumbrance on a motor vehicle
7 or trailer is perfected by the delivery to the director of revenue of a notice of a lien in a format
8 as prescribed by the director of revenue. The notice of lien is perfected as of the time of its
9 creation if the delivery of such notice to the director of revenue is completed within thirty days
10 thereafter, otherwise as of the time of the delivery. A notice of lien shall contain the name and
11 address of the owner of the motor vehicle or trailer and the secured party, a description of the
12 motor vehicle or trailer, including the vehicle identification number, and such other information
13 as the department of revenue may prescribe. A notice of lien substantially complying with the
14 requirements of this section is effective even though it contains minor errors which are not

15 seriously misleading. Provided the lienholder submits complete and legible documents, the
16 director of revenue shall mail confirmation or electronically confirm receipt of such notice of lien
17 to the lienholder as soon as possible, but no later than fifteen business days after the filing of the
18 notice of lien.

19 3. Notwithstanding the provisions of section 301.620, on a refinance **by a different**
20 **lender** of a **prior** loan secured by a motor vehicle or trailer a lien is perfected by the delivery to
21 the director of revenue of a notice of lien completed by the refinancing lender in a format
22 prescribed by the director of revenue.

23 4. To perfect a subordinate lien, the notice of lien must be accompanied by the
24 documents required to be delivered to the director pursuant to subdivision (3) of section 301.620.

25 5. Liens may secure future advances. The future advances may be evidenced by one or
26 more notes or other documents evidencing indebtedness and shall not be required to be executed
27 or delivered prior to the date of the future advance lien securing them. The fact that a lien may
28 secure future advances shall be clearly stated on the security agreement and noted as "subject to
29 future advances" on the notice of lien and noted on the certificate of ownership if the motor
30 vehicle or trailer is subject to only one notice of lien. To secure future advances when an
31 existing lien on a motor vehicle or trailer does not secure future advances, the lienholder shall
32 file a notice of lien reflecting the lien to secure future advances. A lien to secure future advances
33 is perfected in the same time and manner as any other lien, except as follows: proof of the lien
34 for future advances is maintained by the department of revenue; however, there shall be
35 additional proof of such lien when the notice of lien reflects such lien for future advances, is
36 receipted for by the department of revenue, and returned to the lienholder.

37 6. If a motor vehicle or trailer is subject to a lien or encumbrance when brought into this
38 state, the validity and effect of the lien or encumbrance is determined by the law of the
39 jurisdiction where the motor vehicle or trailer was when the lien or encumbrance attached,
40 subject to the following:

41 (1) If the parties understood at the time the lien or encumbrance attached that the motor
42 vehicle or trailer would be kept in this state and it was brought into this state within thirty days
43 thereafter for purposes other than transportation through this state, the validity and effect of the
44 lien or encumbrance in this state is determined by the law of this state;

45 (2) If the lien or encumbrance was perfected pursuant to the law of the jurisdiction where
46 the motor vehicle or trailer was when the lien or encumbrance attached, the following rules
47 apply:

48 (a) If the name of the lienholder is shown on an existing certificate of title or ownership
49 issued by that jurisdiction, the lien or encumbrance continues perfected in this state;

50 (b) If the name of the lienholder is not shown on an existing certificate of title or
51 ownership issued by that jurisdiction, the lien or encumbrance continues perfected in this state
52 three months after a first certificate of ownership of the motor vehicle or trailer is issued in this
53 state, and also thereafter if, within the three-month period, it is perfected in this state. The lien
54 or encumbrance may also be perfected in this state after the expiration of the three-month period;
55 in that case perfection dates from the time of perfection in this state;

56 (3) If the lien or encumbrance was not perfected pursuant to the law of the jurisdiction
57 where the motor vehicle or trailer was when the lien or encumbrance attached, it may be
58 perfected in this state; in that case perfection dates from the time of perfection in this state;

59 (4) A lien or encumbrance may be perfected pursuant to paragraph (b) of subdivision (2)
60 or subdivision (3) of this subsection either as provided in subsection 2 or 4 of this section or by
61 the lienholder delivering to the director of revenue a notice of lien or encumbrance in the form
62 the director of revenue prescribes and the required fee.

63 7. By rules and regulations, the director of revenue shall establish a security procedure
64 for the purpose of verifying that an electronic notice of lien or notice of satisfaction of a lien on
65 a motor vehicle or trailer given as permitted in sections 301.600 to 301.640 is that of the
66 lienholder, verifying that an electronic notice of confirmation of ownership and perfection of a
67 lien given as required in section 301.610 is that of the director of revenue, and detecting error
68 in the transmission or the content of any such notice. A security procedure may require the use
69 of algorithms or other codes, identifying words or numbers, encryption, callback procedures or
70 similar security devices. Comparison of a signature on a communication with an authorized
71 specimen signature shall not by itself be a security procedure.

306.400. 1. As used in sections 306.400 to 306.440, the terms motorboat, vessel, and
2 watercraft shall have the same meanings given them in section 306.010, and the term outboard
3 motor shall include outboard motors governed by section 306.530.

4 2. Unless excepted by section 306.425, a lien or encumbrance on an outboard motor,
5 motorboat, vessel, or watercraft shall not be valid against subsequent transferees or lienholders
6 of the outboard motor, motorboat, vessel or watercraft, who took without knowledge of the lien
7 or encumbrance unless the lien or encumbrance is perfected as provided in sections 306.400 to
8 306.430.

9 3. A lien or encumbrance on an outboard motor, motorboat, vessel or watercraft is
10 perfected by the delivery to the director of revenue of a notice of lien in a format as prescribed
11 by the director. Such lien or encumbrance shall be perfected as of the time of its creation if the
12 delivery of the items required in this subsection to the director of revenue is completed within
13 thirty days thereafter, otherwise such lien or encumbrance shall be perfected as of the time of the
14 delivery. A notice of lien shall contain the name and address of the owner of the outboard motor,

15 motorboat, vessel or watercraft and the secured party, a description of the outboard motor,
16 motorboat, vessel or watercraft motor, including any identification number, and such other
17 information as the department of revenue may prescribe. A notice of lien substantially
18 complying with the requirements of this section is effective even though it contains minor errors
19 which are not seriously misleading. Provided the lienholder submits complete and legible
20 documents, the director of revenue shall mail confirmation or electronically confirm receipt of
21 each notice of lien to the lienholder as soon as possible, but no later than fifteen business days
22 after the filing of the notice of lien.

23 4. Notwithstanding the provisions of section 306.410, on a refinance **by a different**
24 **lender** of a **prior** loan secured by an outboard motor, motorboat, vessel or watercraft, a lien is
25 perfected by the delivery to the director of revenue of a notice of lien completed by the
26 refinancing lender in a format prescribed by the director of revenue.

27 5. Liens may secure future advances. The future advances may be evidenced by one or
28 more notes or other documents evidencing indebtedness and shall not be required to be executed
29 or delivered prior to the date of the future advance lien securing them. The fact that a lien may
30 secure future advances shall be clearly stated on the security agreement and noted as "subject to
31 future advances" in the second lienholder's portion of the notice of lien. To secure future
32 advances when an existing lien on an outboard motor, motorboat, vessel or watercraft does not
33 secure future advances, the lienholder shall file a notice of lien reflecting the lien to secure future
34 advances. A lien to secure future advances is perfected in the same time and manner as any other
35 lien, except as follows. Proof of the lien for future advances is maintained by the department of
36 revenue; however, there shall be additional proof of such lien when the notice of lien reflects
37 such lien for future advances, is receipted for by the department of revenue, and returned to the
38 lienholder.

39 6. Whether an outboard motor, motorboat, vessel, or watercraft is subject to a lien or
40 encumbrance shall be determined by the laws of the jurisdiction where the outboard motor,
41 motorboat, vessel, or watercraft was when the lien or encumbrance attached, subject to the
42 following:

43 (1) If the parties understood at the time the lien or encumbrances attached that the
44 outboard motor, motorboat, vessel, or watercraft would be kept in this state and it is brought into
45 this state within thirty days thereafter for purposes other than transportation through this state,
46 the validity and effect of the lien or encumbrance in this state shall be determined by the laws
47 of this state;

48 (2) If the lien or encumbrance was perfected pursuant to the laws of the jurisdiction
49 where the outboard motor, motorboat, vessel, or watercraft was when the lien or encumbrance
50 attached, the following rules apply:

51 (a) If the name of the lienholder is shown on an existing certificate of title or ownership
52 issued by that jurisdiction, his or her lien or encumbrance continues perfected in this state;

53 (b) If the name of the lienholder is not shown on an existing certificate of title or
54 ownership issued by the jurisdiction, the lien or encumbrance continues perfected in this state
55 for three months after the first certificate of title of the outboard motor, motorboat, vessel, or
56 watercraft is issued in this state, and also thereafter if, within the three-month period, it is
57 perfected in this state. The lien or encumbrance may also be perfected in this state after the
58 expiration of the three-month period, in which case perfection dates from the time of perfection
59 in this state;

60 (3) If the lien or encumbrance was not perfected pursuant to the laws of the jurisdiction
61 where the outboard motor, motorboat, vessel, or watercraft was when the lien or encumbrance
62 attached, it may be perfected in this state, in which case perfection dates from the time of
63 perfection in this state;

64 (4) A lien or encumbrance may be perfected pursuant to paragraph (b) of subdivision (2)
65 or subdivision (3) of this subsection in the same manner as provided in subsection 3 of this
66 section.

67 7. The director of revenue shall by rules and regulations establish a security procedure
68 to verify that an electronic notice or lien or notice of satisfaction of a lien on an outboard motor,
69 motorboat, vessel or watercraft given pursuant to sections 306.400 to 306.440 is that of the
70 lienholder, to verify that an electronic notice of confirmation of ownership and perfection of a
71 lien given pursuant to section 306.410 is that of the director of revenue and to detect error in the
72 transmission or the content of any such notice. Such a security procedure may require the use
73 of algorithms or other codes, identifying words or numbers, encryption, callback procedures or
74 similar security devices. Comparison of a signature on a communication with an authorized
75 specimen signature shall not by itself constitute a security procedure.

430.020. Every person who shall keep or store any vehicle[,]
2 thereof, shall, for the amount due therefor, have a lien; and every person who furnishes labor or
3 material on any vehicle [or aircraft,] or part or equipment thereof, who shall obtain a written
4 memorandum of the work or material furnished, or to be furnished, signed by the owner of the
5 vehicle [or aircraft], or part or equipment thereof, **and every person who furnishes labor or**
6 **material on any aircraft or part or equipment thereof, who shall obtain a written**
7 **memorandum of the work or material furnished, or to be furnished, signed by the owner,**
8 **authorized agent of the owner, or person in lawful possession of the aircraft or part or**
9 **equipment thereof,** shall have a lien for the amount of such work or material as is ordered or
10 stated in such written memorandum. Such liens shall be on the vehicle or aircraft, or part or
11 equipment thereof, as shall be kept or stored, or be placed in the possession of the person

12 furnishing the labor or material; provided, however, the person furnishing the labor or material
13 **on the aircraft or part or equipment thereof**, may retain the lien after surrendering possession
14 of the aircraft or part or equipment thereof by filing a statement in the office of the county
15 recorder of the county where the owner of the aircraft or part or equipment thereof resides, if
16 known to the claimant, and in the office of the county recorder of the county where the labor or
17 material was furnished. Such statement shall be filed within [thirty] **one hundred eighty** days
18 after surrendering possession of the aircraft or part or equipment thereof and shall state the
19 claimant's name and address, the items on account, the name of the owner and a description of
20 the property, and shall not bind a bona fide purchaser unless said lien has also been filed with
21 the Federal Aviation Administration Aircraft Registry.

430.082. 1. Every person expending labor, services, skill or material upon any motor
2 vehicle or trailer, as defined in chapter 301, vessel, as defined in chapter 306, outboard motor
3 [or] , **or aircraft, or part or equipment of an aircraft**, at a written request of its owner,
4 authorized agent of the owner, or person in lawful possession thereof, or who provides storage
5 for a motor vehicle, trailer, outboard motor or vessel, at the written request of its owner,
6 authorized agent of the owner, or person in lawful possession thereof, or at the written request
7 of a peace officer in lieu of the owner or owner's agent, where such owner or agent is not
8 available to request storage thereof, shall, where the maximum amount to be charged for labor,
9 services, skill or material has been stated as part of the written request or the daily charge for
10 storage has been stated as part of the written request, have a lien upon the chattel beginning upon
11 the date of commencement of the expenditure of labor, services, skill, materials or storage for
12 the actual value of all the expenditure of labor, services, skill, materials or storage until the
13 possession of that chattel is voluntarily relinquished to the owner, authorized agent, or one
14 entitled to possession thereof. The person furnishing labor, services, skill or material **upon an**
15 **aircraft or part or equipment thereof**, may retain the lien after surrendering possession of the
16 aircraft or part or equipment thereof, by filing a statement in the office of the county recorder of
17 the county where the owner of the aircraft or part or equipment thereof, resides, if known to the
18 claimant, and in the office of the county recorder of the county where the claimant performed the
19 services. Such statement shall be filed within [thirty] **one hundred eighty** days after
20 surrendering possession of the aircraft or part or equipment thereof and shall state the claimant's
21 name and address, the items on account, the name of the owner and a description of the property,
22 and shall not bind a bona fide purchaser unless the lien has also been filed with the Federal
23 Aviation Administration Aircraft Registry.

24 2. If the chattel is not redeemed within forty-five days of the completion of the requested
25 labor, services, skill or material, the lienholder may apply to the director of revenue for a
26 certificate of ownership or certificate of title.

27 3. If the charges are for storage or the service of towing the motor vehicle, trailer,
28 outboard motor or vessel, and the chattel has not been redeemed within forty-five days after the
29 charges for storage commenced, the lienholder shall notify by certified mail, postage prepaid, the
30 owner and any lienholders of record other than the person making the notification, at the person's
31 last known address that application for a lien title will be made unless the owner or lienholder
32 within thirty days makes satisfactory arrangements with the person holding the chattel for
33 payment of storage or service towing charges, if any, or makes satisfactory arrangements with
34 the lienholder for paying such charges or for continued storage of the chattel if desired. Thirty
35 days after the notification has been mailed and the chattel is unredeemed, or the notice has been
36 returned marked "not forwardable" or "addressee unknown", and no satisfactory arrangement has
37 been made with the lienholder for payment or continued storage, the lienholder may apply to the
38 director of revenue for a certificate of ownership or certificate of title as provided in this section.

39 4. The application shall be accompanied by:

40 (1) The original or a conformed or photostatic copy of the written request of the owner
41 or the owner's agent or of a peace officer with the maximum amount to be charged stated therein;

42 (2) An affidavit from the lienholder that written notice was provided to all owners and
43 lienholders of the applicants' intent to apply for a certificate of ownership and the owner has
44 defaulted on payment of labor, services, skill or material and that payment is forty-five days past
45 due, or that owner has defaulted on payment or has failed to make satisfactory arrangements for
46 continued storage of the chattel for thirty days since notification of intent to make application
47 for a certificate of ownership or certificate of title. The affidavit shall be accompanied by a copy
48 of the thirty-day notice given by certified mail to any owner and person holding a valid security
49 interest and a copy of the certified mail receipt indicating that the owner and lienholder of record
50 was sent a notice as required in this section;

51 (3) A statement of the actual value of the expenditure of labor, services, skill or material,
52 or the amount of storage due on the date of application for a certificate of ownership or
53 certificate of title, and the amount which is unpaid; and

54 (4) A fee of ten dollars.

55 5. If the director is satisfied with the genuineness of the application, proof of lienholder
56 notification in the form of a certified mail receipt, and supporting documents, and if no
57 lienholder or the owner has redeemed the chattel or no satisfactory arrangement has been made
58 concerning payment or continuation of storage, and if no owner or lienholder has informed the
59 director that the owner or lienholder demands a hearing as provided in this section, the director
60 shall issue, in the same manner as a repossessed title is issued, a certificate of ownership or
61 certificate of title to the applicant which shall clearly be captioned "Lien Title".

62 6. Upon receipt of a lien title, the holder shall within ten days begin proceedings to sell
63 the chattel as prescribed in section 430.100.

64 7. The provisions of section 430.110 shall apply to the disposition of proceeds, and the
65 lienholder shall also be entitled to any actual and necessary expenses incurred in obtaining the
66 lien title, including, but not limited to, court costs and reasonable attorney's fees.

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